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June 15, 2004



VIA E-MAIL AND FIRST CLASS MAIL

BOSTON

Thomas Krueger, Esquire Multi-Media Branch II, Section I

BRUSSELS

United States Environmental Protection Agency

77 West Jackson Boulevard Mail Code C14-J

CHARLOTTE

Chicago, IL 60604

FRANKFURT

Re: Eagle Zinc Company Site

HARRISBURG

Dear Mr. Krueger:

HARTFORD

LONDON

LUXEMBOURG

MUNICH

NEW YORK

NEWPORT BEACH

PALO, ALTO

PARIS

PHILADELPHIA

PRINCETON

SAN FRANCISCO

WASHINGTON

Pursuant to the schedule agreed upon at our meeting on June 2, 2004, the purpose of this letter is to communicate the Respondents' agreement to add on-site risks to the draft ecological risk assessment report. Respondents condition this agreement on the procedures outlined in "Approach for Assessment of On-Site Ecological Receptors at the Eagle Zinc Site" (June 7, 2004) authored by Ryan Loveridge and Steve Petron of CH2M Hill (hereinafter "Approach Memo"), as those procedures have been clarified and/or revised by mutual agreement of the parties. Specifically, on June 11, 2004, Mr. Loveridge and Jeff Margolin of Environ agreed to the following revisions to the Approach Memo:

- 1. Conservative food web modeling will be conducted prior to Step 3a of the ecological risk assessment. Further, food web modeling using realistic, reasonable exposure scenarios will be conducted, as necessary, as part of Step 3a.
- 2. Contrary to the U.S. EPA letter dated May 3, 2004, the on-site ecological risk assessment need only evaluate one use scenario: "status quo." Therefore, the current exposure scenarios will be considered the same as (and representative of) potential future exposure scenarios.
- 3. The on-site ecological risk assessment of aquatic receptors will evaluate the same scenarios/receptors as evaluated for the off-site ecological risk assessment. Specifically, the evaluation will consist of comparisons to surface water quality criteria, sediment quality criteria, and quantitative food web-type evaluations of mink and great blue herons.
- 4. If it is agreed by the parties that the on-site ecological risk assessment will include an evaluation of risk related to the manufacturing residues, then realistic exposure scenarios based on, inter alia, the physical properties of the residues, will be considered in Step 3a to determine whether further evaluation of the residues is warranted.

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Representatives of U.S. EPA and Respondents have not yet concluded their discussions concerning the procedures to be employed in the on-site ecological risk assessment. Accordingly, Respondents also condition their agreement on any further clarifications of and/or revisions to the Approach Memo or U.S. EPA's letter dated May 3, 2004 that might occur either before or as a result of Respondents' responses to U.S. EPA's letter dated May 3, 2004. Based on the agreements reached at our meeting on June 2, 2004, Respondents understand that their responses to U.S. EPA's letter dated May 3, 2004 are due July 13, 2004.

Respondents T.L. Diamond and Company, Inc. and Eagle-Picher Industries, Inc. agree to the proposed revision of Section XIX of the Administrative Order by Consent (eff. date December 21, 2001) outlined in your letter dated June 8, 2004, as modified by your e-mail memo dated June 10, 2004. The Sherwin Williams Company has not yet responded to our request for agreement to the proposed revision.

Finally, attached for U.S. EPA's consideration is a draft deed restriction that would limit use of the subject property to industrial and/or commercial purposes. We reserve the right to propose revisions to that draft either in response to comments from U.S. EPA or comments from our client, who has not yet seen the attached.

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Very truly yours,

John M. Ix Associate

JI/drv

Attachment

Mr. Paul Harper (via E-mail only)
Mr. Gordon Kuntz (via E-mail only)
Lois Kimbol, Esq. (via E-mail only)
Michael Bogdonoff, Esq. (via E-mail only)
Mr. F. Ross Jones (via E-mail only)
Mr. Dion Novak (via E-mail only)